

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
in and for the STATE OF UTAH

IN THE MATTER OF APPROVAL OF THE)
NOTICE OF INTENT AND RECLAMATION)
PLAN SUBMITTED BY CRATER EXPLORATION,)
INC., GRAND COUNTY, UTAH

ORDER TO SHOW CAUSE

NO. ACT/019/017

THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN SECTION 8, TOWNSHIP 23 SOUTH, RANGE 24 EAST, GRAND COUNTY, UTAH.

Notice is hereby given that tentative approval was given by the Division of Oil, Gas and Mining, on May 23, 1983, to Crater Exploration, Inc. to commence placer gold and precious metal mining in Section 8, Township 23 South, Range 24 East, Grand County, Utah. The name of the mine is the Cato Placer Sand #1, the person representing the company in this matter is Mr. Wilford W. Ruf, 954 East 7145 South, Suite 202, Midvale, Utah, 84047.

Crater Exploration, Inc., has fulfilled obligations under the Utah Mine Land Reclamation Act of 1975 (Section 40-8, U.C.A., 1953, as amended), and will employ the following mining and reclamation practices on approximately 50 acres of unpatented Mineral Claims.

DURING OPERATIONS:

1. This operation will be a placer mine, obtaining precious metals through sand and gravel washing and classification.

2. Water from the Colorado River will be pumped into a holding pond, then into the placer washing system.

3. Sands and gravels will be picked up with a backhoe, washed, flocculated with a biodegradable detergent, then classified and concentrated. Final chemical processing will be done off the minesite.

4. After concentration, sand and silt will be pumped into a tailings pond. Clarified water will be routed back into the holding pond for re-use. There will be no discharge of the mining process water into the Colorado River.

5. A maximum of 10 acres will be disturbed per year.

AFTER OPERATIONS:

1. As the active mining front progresses to the southwest, silt and sand deposited as tailings material will be preliminarily regraded. This will be a continuous process.

2. The landowners will take responsibility for establishing final grade and replanting the area. The entire disturbed area will be reclaimed to agricultural crops, with the aid of the Soil Conservation Service. SCS will determine fertilization and irrigation needs.

3. Final reclamation of all disturbed acreage will take place each fall.

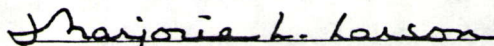
4. There will be no permanent fixtures on site. All equipment will be removed after the entire area has been mined and reclaimed.

Reclamation performance surety will be established prior to issuing final approval of the mining and reclamation plan.

Any persons or agency aggrieved by this tentative decision is hereby requested to submit written protest within 30 days of the date of publication to the Division of Oil, Gas and Mining, 4241 State Office Building, Salt Lake City, Utah, 84114, setting forth factual reasons for their complaint and thereafter, at a time and place to be established, appear before the Board of Oil, Gas and Mining to show cause, if any, why this plan should not be approved.

DATED this 23rd day of May, 1983.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING


MARJORIE L. LARSON
Secretary of the Board